



General Assembly

Substitute Bill No. 5017

February Session, 2000

***An Act Concerning The Enforcement And Examination
Authority Of The Banking Commissioner.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (e) of section 36a-428b of the general statutes is
2 repealed and the following is substituted in lieu thereof:

3 (e) For purposes of section 36a-65 the commissioner shall [take into
4 account only] annually, on or after July first for the fiscal year
5 commencing on said July first, assess each foreign bank that has
6 established a state branch or state agency in this state, taking into
7 consideration (1) the assets of such foreign bank relative to the assets of
8 other foreign banks with a state branch or state agency in this state
9 provided only the assets of the state branches or state agencies located
10 in this state shall be considered, (2) the cost of any examination under
11 section 36a-428l, (3) the amount allocated to each Connecticut bank
12 and each Connecticut credit union under section 36a-65, and (4) any
13 other factor the commissioner deems appropriate to the administration
14 of sections 36a-428 to 36a-428n, inclusive, as amended.

15 Sec. 2. Subsection (b) of section 36a-494 of the general statutes, as
16 amended by section 29 of public act 99-36, is repealed and the
17 following is substituted in lieu thereof:

18 (b) Whenever it appears to the commissioner that any person has

19 violated, is violating or is about to violate any of the provisions of
20 sections 36a-485 to 36a-498, inclusive, or any regulation adopted
21 pursuant thereto, or any licensee has failed to perform any agreement
22 with a borrower, the commissioner may take action against such
23 person or licensee in accordance with section 36a-50.

24 Sec. 3. Section 36a-517 of the general statutes is repealed and the
25 following is substituted in lieu thereof:

26 (a) The commissioner may suspend, revoke or refuse to renew any
27 license, in accordance with section 36a-51 for any reason which would
28 be sufficient grounds for the commissioner to deny an application for a
29 license under sections 36a-510 to 36a-524, inclusive, or if the
30 commissioner finds that the licensee or any owner, director, officer,
31 member, partner, shareholder, trustee, employee or agent of such
32 licensee has done any of the following: (1) Made any material
33 misstatement in the application; (2) committed any fraud or
34 misrepresented, concealed, suppressed, intentionally omitted or
35 otherwise intentionally failed to disclose any of the material particulars
36 of any secondary mortgage loan transaction, including disclosures
37 required by part III of chapter 669 or regulations adopted pursuant
38 thereto, to anyone entitled to such information; (3) violated any of the
39 provisions of sections 36a-510 to 36a-524, inclusive, parts I, III and V of
40 chapter 669, sections 46a-65 to 46a-67, inclusive, or section 46a-98, or of
41 any regulations adopted pursuant thereto; or (4) failed to perform [a
42 written] any agreement with a borrower.

43 (b) Whenever it appears to the commissioner that any person has
44 violated, is violating or is about to violate any of the provisions of
45 sections 36a-510 to 36a-524, inclusive, or any licensee has failed to
46 perform any agreement with a borrower, the commissioner may take
47 action against such person or licensee in accordance with section 36a-
48 50.

49 Sec. 4. Section 36a-545 of the general statutes is repealed and the
50 following is substituted in lieu thereof:

51 Each applicant or licensee shall have established bookkeeping
52 methods and shall keep books and records at the place of business
53 specified in the license in a form and manner satisfactory to the
54 commissioner, or shall make such books and records available at such
55 place of business not later than five business days after requested by
56 the commissioner. All such books and records shall be preserved for at
57 least two years after the making of the final entry therein.

58 Sec. 5. Section 36b-23 of the general statutes, as amended by section
59 5 of public act 99-38, is repealed and the following is substituted in lieu
60 thereof:

61 No person shall make or cause to be made verbally or in any
62 document filed with the commissioner or in any proceeding,
63 investigation or examination under sections 36b-2 to 36b-33, inclusive,
64 any statement which is, at the time and in the light of the
65 circumstances under which it is made, false or misleading in any
66 material respect.

67 Sec. 6. Section 36b-80 of the general statutes, as amended by section
68 9 of public act 99-38, is repealed and the following is substituted in lieu
69 thereof:

70 No person shall make or cause to be made verbally or in any
71 document filed with the commissioner or in any proceeding,
72 investigation or examination under sections 36b-60 to 36b-80, inclusive,
73 any statement which is, at the time and in the light of the
74 circumstances under which it is made, false or misleading in any
75 material respect.

76 Sec. 7. (NEW) No licensee shall, in connection with the activity for
77 which such person is licensed: (1) Employ any device, scheme or
78 artifice to defraud; (2) make any untrue statement of a material fact or
79 omit to state a material fact necessary in order to make the statements
80 made, in the light of the circumstances under which they are made, not
81 misleading, or (3) engage in any act, practice, or course of business
82 which operates or would operate as a fraud or deceit upon any person.

83 Sec. 8. Section 3 of public act 99-158 is repealed and the following is
84 substituted in lieu thereof:

85 No person shall make or cause to be made verbally or in any
86 document filed with the commissioner or in any proceeding,
87 investigation or examination under this title, any statement which is, at
88 the time and in the light of the circumstances under which it is made,
89 false or misleading in any material respect.

90 Sec. 9. This act shall take effect from its passage.

BA Committee Vote: Yea 18 Nay 0 JFS

JUD Committee Vote: Yea 27 Nay 0 JF